



REQUEST FOR PROPOSALS

WATER METER INSTALLATION AND TESTING FOR MARTINSVILLE, VA

a. Overview:

The City of Martinsville (City) is soliciting sealed proposals from qualified companies for Water Meter installation and testing services. Sealed proposals will be accepted at the City of Martinsville Central Warehouse, 300 Fishel Street, in Martinsville, Va. 24112-3248, **by 2:00 p.m. on Thursday, November 1, 2012**. Proposals may be sent by FedEx or UPS to the Fishel Street address. The City **does not** accept postal mail at the Fishel Street address. Proposals also may be mailed to the City of Martinsville, Karen Mays, Purchasing Agent, P O Box 1112, Martinsville, Va. 24114-1112. Proposals must be in a sealed envelope clearly marked "RFP for Meter Installation and Testing". Provide one (1) original and three (3) copies of the proposal. Proposers are responsible for insuring that the City receives the proposal by the due date and time. Late proposals will not be accepted. There will not be a formal opening.

Any questions regarding the specifications of the proposal must be directed in writing, Karen Mays, Purchasing Agent, at kmays@ci.martinsville.va.us.

b. Requirements:

For a company to be considered responsive to this solicitation, it must:

- 1) Must abide by City of Martinsville regulations and insurance requirements. (For information contact the Commissioner of Revenue at 276-403-5131.
- 2) Have extensive experience with meter installations and accuracy testing. Provide five (5) references in the proposal. Testing and repair services must conform to manufacturers' recommendations and AWWA standards.
- 3) All work must conform to VOSH 16 VAC 25-140-10 – Virginia Confined Space Standard for Construction Industry. Contractor is responsible for compliance.
- 4) Timeliness of reports and test to be reported within 5 days of actual test, a running total shall be provided to the City on a daily basis.
- 5) Although the total cost of the project is a critical factor, the City will evaluate each proposal based on the criteria below, and will award the project to the most qualified firm. It is the responsibility of each bidder to carefully examine these specifications and the bid documents and become familiar with the requirements set forth herein. In addition, it is the responsibility of each bidder to submit all necessary information concerning their product to the City. Failure to do so could result in your bid being declared as non-responsive. The City may reject any or all proposals at its sole discretion. The City reserves the right to give preference to a company located within 1 ½ hours from Martinsville.

c. Evaluation Criteria:

- 1) Ability, capacity and skill of the contractor to perform the work in a timely fashion, and to meet requirements.
- 2) Vendor must have financial resources, quality and availability of equipment to perform the contract
- 3) Experience in providing similar services. Provide references.
- 4) Cost of services. Costs will not necessarily be the deciding factor in the selection process.
- 4) Ability of vendor to provide a six month warranty on all replacement parts.
- 5) Schedule of completion. Give details.

6) The meter being proposed. Provide samples.

d. General Terms and conditions:

The Contractor must provide a proposal for a turnkey project including old meter removal, new meter installation, transportation and testing of removed meters at a third party facility. The minimum requirements for the proposal are detailed herein. Bidder should provide City of Martinsville the following:

- Single-source meter representation
- Single-source installation representation
- Independent Meter Testing using the guidelines as set forth by the AWWA M6 Manual

Contractor agrees to furnish and supply all services, equipment, supplies, and materials necessary to prepare a comprehensive, turnkey Proposal.

e. Scope of Work

The City of Martinsville shall provide a list of 100 preselected meters for replacement, per table below. Contractor shall install a replacement meter conforming to meters specified in this solicitation and according to the recommendations set forth in Chapter 4 “Meter Installation” of the AWWA M6 Manual Water Meters – Selection, Installation, Testing, and Maintenance, Fourth Edition and to manufacturer’s guidelines. The water meter testing will be in compliance with accepted AWWA guidelines.

Meter Size	Qty to Test
0.75"	40
1.00"	25
1.50"	19
2.00"	26

The testing shall be completed and the results returned to the City within 45 days from the date the last meter was removed from service. The results shall be returned to the City on an electronic spreadsheet in Microsoft Excel.

A Work Order shall be completed for each meter replaced and provided to the City of Martinsville. Each work order shall contain the following information:

- 1) Old meter size, type, manufacturer, model and serial number
- 2) Old meter final reading
- 3) New meter size, type, manufacturer, model and serial number
- 4) Electronic (encoder) ID number
- 5) New meter beginning reading
- 6) Meter Box and lid material (example: plastic, concrete, iron, etc.)

All old meters removed shall be capped and boxed with copies of each meters corresponding work order in preparation for submitting to qualified independent test lab.

f. Accuracy Testing

The Contractor is responsible for completing and documenting the testing procedure and results. The following data shall be provided for each water meter tested:

- Water meter size
- Water meter manufacturer

- Water meter serial number
- Pre-test register reading
- Test each meter in accordance with AWWA standards for the size and class of meter submitted. Standards will be in accordance with American Water Works Association (AWWA) Manual M6: Water Meters – Selection, Installation, Testing, and Maintenance (5th edition).
- Any zero reads will be annotated and re-tested to confirm meter malfunction.
- Record all results in Excel spreadsheet.

Table 1. Required Test Flow Rates:

Size	Max Rate	Interm. Rate	Min. Rate
¾"	25	3	1/2
1"	40	4	3/4
1.5"			
2"			

Notes:

- Tested meters are to be returned to the City of Martinsville.
- City will provide personnel to operate valves and notify customers of meter change-out on targeted sites.

g. Cold Water Meter Specifications (3/4) INCH - TWO (2) INCH COLD WATER METERS

a. GENERAL

Except as otherwise modified or supplemented herein, the latest revision of AWWA Standard C-708 for Cold Water Meters - Multi-jet Type shall govern the materials, design, manufacture and testing of all meters furnished under this specification or equal as approved by the Director or his appointed agent.

AWWA Standard C708 is considered by the City to be minimum requirements and shall be supplemented herein to ensure the quality required by the utilities department.

Meters shall be manufactured by a company with a minimum of ten (10) years experience in manufacturing of water meters. All water meters and meter components shall be assembled and tested within the Continental United States of America. Manufacturer's corporate home office shall be in the United States.

Bids will be accepted only from those companies who are actively engaged in the manufacturer of a complete line of water meters of various types, (i.e. multi-jet type, turbine and compound).

Meters shall be bid without connections. Cold water meters 2" and smaller shall be magnetically driven, multi-jet, velocity type.

The water utilities department reserves the right to request a sample meter to study prior to awarding bids.

b. METER MAIN CASE

The main case shall be a solid case with removable bottom, cover ring or cover plate and will be manufactured of cast bronze so constructed that the main case (including meter spuds) will withstand internal pressure and external stress to eliminate distortion, cracking and breaking, which will cause leakage, damage to other components or interfere with the proper operation of the meter in general. Bronze bottom, if applicable or cover shall be attached to the main case with stainless steel or bronze bolts.

All external bolts, nuts and washers shall be of bronze, stainless steel or other non-corrosive metal.

Main case connection for 5/8x3/4-inch, 3/4 inch and 1-inch meters shall be spuds having external water meter threads with dimension as indicated by AWWA Standards. One and one-half inch (1-1/2") meters and two inch (2") meters shall have elliptical flanges.

The meter serial number shall be imprinted permanently on the main case as well as clearly on the register top lid and run consecutively per size, per order.

The register housing and lid shall be made of bronze or a suitable synthetic polymer.

The size, model number of the meter and direction of the flow through the meter shall be imprinted permanently on the outer case of all meters.

All meter cases shall be machine finished, with no sharp edges. Bronze cases shall be manufactured of a copper alloy with a minimum copper content of 81%.

All meters cases shall include a calibration port located under the register shroud or externally if protected by an acceptable tamper device.

c. METER REGISTERS

The factory sealed register shall be magnetically driven only and shall be furnished with a low flow leak detector, with a large sweep hand, and with 100 equally divided graduations marked at the periphery of the register face. The register shall be identical and completely interchangeable within a given size or model. An effectively tamper proof meter, as determined by the water department, is required. The register shall read in US. Gallons as ordered by the City. The register dial face should have the manufacture date in month and year stamped on it. The transparent register lens shall be made of molded convex heat-treated glass to ensure against scratching and breakage, and to provide drainage off of the lens. Flat cut glass will not be accepted as equal. Recessed lens will not be acceptable.

Registers shall be encoder type and incorporate an integral radio transceiver including antenna and batteries. Transceiver shall operate in the FCC unlicensed frequency band of 902 to 928 MHZ. It shall capable of transmitting a unique EID number, meter reading and provide alarms when applicable for leak, backflow, and magnetic tamper. All transceivers shall automatically begin transmission after five full 360 degree movements of the registers sweep hand. Radio transceivers shall provide a data logging feature with a minimum of 4000 hourly readings user programmable down to one minute.

As defined in these specifications, a "factory sealed" register shall mean a non-fogging, moisture and dust-proof register, magnetically driven by the measuring chamber. The register must be able to be removed from the meter without destroying the moisture and dust-proof seals. Register shall be warranted for a full ten (10) years with additional ten (10) year prorated warranty on the batteries.

The register shall be secured to the main case in an acceptable tamper proof manner.

d. MEASURING CHAMBER

The measuring chamber shall be made of a suitable synthetic polymer material, which equals or exceeds AWWA Standards. It shall be secured in a position in the main case in such a manner that slight distortion of the main case will not affect sensitivity or registration of the meter.

The measuring chamber shall be of the velocity type and designed as to allow the flow of water to pass through precision, converging orifices causing the impeller to rotate providing a synchronous relationship between the velocity of the water passing through the chamber and registration.

The measuring chamber shall be constructed in such a manner as to facilitate easy removal from the maincase.

To ensure longevity of service, the performance of the measuring chamber shall be guaranteed to meet required meter standards of AWWA manual M-6 as follows:

5/8 x 3/4"	20 years or 2,500,000 gallons
3/4 x 3/4	20 years or 2,500,000 gallons
1"	20 years or 3,250,000 gallons
1.5"	20 years or 5,600,000 gallons
2"	20 years or 10,400,000 gallons

The measuring chamber shall be covered for this period by written warranty as required or mentioned elsewhere in these specifications.

e. MAGNETIC COUPLINGS

There shall be no stuffing box. The motion of the multivaned rotor shall be transmitted to the sealed register through the use of a direct magnetic coupling. Magnets shall be of ceramic or approved equal.

f. STRAINERS

All meters must be provided with a corrosion resistant strainer, which is easily removed from the meter

g. CHANGE GEARS

Change gears are not acceptable. All register of particular registration and meter size shall be identical and completely interchangeable.

h. ACCURACY AND HEAD LOSS TESTS

Meters shall conform to current AWWA test flow, head loss and accuracy standards.

i. PRESSURE CAPABILITY

Meters shall operate up to a working pressure of one hundred fifty (150) pounds per square inch and to a temperature of 120 degrees Fahrenheit, without leakage or damage to any parts. The accuracy shall not be affected when operating at this pressure to possible distortion.

j. WARRANTY REQUIREMENTS

The manufacturer's meter guarantee will be required with this bid and shall cover the meter main case for a period not less than twenty-five (25) years according to the meter serial number. The guarantee shall at a minimum encompass the meters meeting AWWA used meter accuracy for a period of fifteen (15) years.

Bidder must include with his bid, a copy of part sheets, parts pricing and descriptive literature for the meters. Parts discount must be stated in the bid.

k. ACCEPTABLE METERS

In the interest of standardization, the following meter lines are acceptable for use by the City provided they fully comply with the above specifications and meet all requirements in the bid package:

MASTER METER MM or BLMJ or APPROVED EQUAL.

All meters not listed above shall pre-qualify. In order to pre-qualify, each vendor must provide a 3/4 and 2" sample meter for testing. Send the sample meters to Andy Lash, Central Warehouse, 300 Fishel Street, Martinsville, Va. 24112-3248. Send meter by FedEx or UPS. Do not use postal mail.

REQUIREMENTS

Cleanup

- A. The Contractor at all times shall keep the premises free from accumulation of waste materials or rubbish caused by his operations. At the completion of the work, he shall remove all his waste materials and rubbish from and about the project as well as all his tools, construction equipment, machinery, and surplus materials.
- B. If the Contractor fails to clean up at the completion of the work, the City of Martinsville may do so and the cost thereof shall be charged to the Contractor.

Control of Work

- A. On all questions relating to quantities, the acceptability of materials and equipment, or work, and the interpretation of the Contract Documents, the decision of the City of Martinsville's Project Manager is final and binding, and shall be precedent to any payment under the contract.
- B. All work and material are subject to the inspection and approval of the City's Project Manager. Any work done without proper inspection will be subject to rejection. Inspection of the work shall not relieve the Contractor of the obligation to fulfill all conditions of the contract. The Project Manager may require the Contractor to remove from the work any employee, as the Project Manager may deem incompetent, careless or insubordinate.
- C. Certain items of work may be performed by forces of the City. The Contractor shall cooperate fully in scheduling and coordinating with the Project Manager such that no delay will result in the performance of such work. If the Contractor claims that such work delays or causes additional costs, he shall make claims as provided in Work Changes.
- D. The City may award, or may have awarded contracts to others for other work. The Contractor shall cooperate fully with such other Contractors by scheduling his own work with that to be performed under other Contracts as may be directed by the City. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor as scheduled.
- E. Neither the final certificate of payment nor any provision in the contract documents, nor partial or entire occupancy of the premises by the City, shall constitute an acceptance of work not done in accordance with the contract documents or relieve the Contractor of liability in respect to any express warranties or responsibility for faulty materials or workmanship. The Contractor shall remedy any defects in the work and pay for any damage to other work resulting there from, which shall appear within a period of one year from the date of final acceptance of work unless a longer period is specified. The City will give notice of observed defects with reasonable promptness.

Equal Employment

During the performance of this contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions for this non-discrimination clause.
- B. The Contractor also shall not discriminate against any handicapped person in violation of any state or federal law or regulation and shall also post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this additional non-discrimination clause.
- C. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such contractor is an equal opportunity employer.
- D. Notices, advertisements, and solicitations placed in accordance with Federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
- E. The Contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order over \$10,000 so that the provisions will be binding upon each subcontractor or vendor.
- F. The Contractor will otherwise comply with all other applicable provisions of local, State, and Federal law.

Drug Free Work Place

During the performance of this contract, the contractor agrees to:

- A. Provide a drug-free workplace for the contractor's employees
- B. Post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- C. State in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace
- D. Include the provisions of the foregoing clauses in every subcontract or purchase order of or over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
"Drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

Guaranty

- A. The Contractor shall guarantee that all the materials used and all the work done under the contract shall fully comply with the requirements of the plans and specifications and the instructions of the City of Martinsville.
- B. All expenses covering return or replacement of defective or improper equipment or merchandise will be assumed by the Contractor. In no instance shall the contractor refer the City to any distributor or manufacturer for settlement of any claim arising from defective or improper equipment or merchandise. If the Contractor shall fail to replace or repair any defective or improper equipment or merchandise within thirty (30) days from date of notice, the City may make the necessary corrective arrangements and charge the cost to money due the Contractor or bill the Contractor. The Contractor agrees to reimburse the City in such instances. Samples of any warranties which will apply to the goods being offered for sale shall be included as part of the bid.
- C. Any defects in the completed work or failure of the construction to fully perform or endure the service for which it is intended, which in the opinion of the City are caused by or due to the use of materials, skill or workmanship not in compliance with the said plans, specifications and instructions, that may appear in the work within a period of twenty-four (24) months after acceptance by the City shall be regarded as prima facie and conclusive evidence that the Contractor has failed to comply with the said specifications, plans, and instructions. The Contractor in this event, shall at his own expense, at such time and in such manner as the Engineer may direct, repair or take up and reconstruct any such defective work, in full compliance with the original specifications, plans, and instructions. The repairs required to be made by the Contractor shall extend only to making good an inherent defects which become manifested in the materials and workmanship under ordinary conditions, and shall not be held to cover any breakage or damage caused by improper use or by accident resulting from circumstances over which the Contractor has no control.

Indemnification

- A. The Contractor shall indemnify, keep and save harmless the City of Martinsville, its agents, officials and employees, against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, costs and expenses, which may in anywise accrue against the City of Martinsville, its agents, officials and employees in consequence of the granting of this contract or which may in anyway result there from, whether or not it shall be alleged or determine that the act was caused through negligence or omission of the Contractor or his employees, or of the subcontractor or his employees, if any, and the Contractor shall, at his own expense, appear, defend and pay all charges of attorneys and other expenses arising there from or incurred in connection therewith, and, if any judgment shall be rendered against the City of Martinsville in any such action, the Contractor shall, at his own expense, satisfy and discharge the same. The Contractor expressly understands and agrees that any performance bond or insurance protection required by this contract, or otherwise provided by the Contractor, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the City of Martinsville, its agents, officials, and employees as herein provided. The Contractor shall have charge and control of the entire work until its completion and acceptance by the City.
- B. The Contractor shall assume all risks and responsibilities for casualties of every description in connection with the work, except that he shall not be held liable or responsible for delays or damage to the work caused by acts of God, acts of Public enemy, acts of Government, quarantine restrictions, general strikes through the trade, or by freight embargoes not caused or participated in

by the Contractor. The Contractor shall have charge and control of the entire work until completion and acceptance of the same by the City of Martinsville.

- C. The Contractor shall alone be liable and responsible for, and shall pay, any and all loss or damage sustained by any person or party either during the performance or subsequent to the completion of the work under this agreement by reason of injuries to persons and damage to property, buildings, and adjacent work, that may occur either during the performance of the work covered by this contract or that may be sustained as a result of or in consequence thereof, irrespective of whether or not such injury or damage be due to negligence or the inherent nature of the work.
- D. The Contractor shall bear all losses resulting from the amount or character of the work being different, or because the nature of the premises on which the work is done is different from what was expected, or on account of the weather, or similar other causes.

Insurance

The Contractor shall not commence work under this contract until he has obtained all the insurance required hereunder and such insurance has been approved by the City of Martinsville; nor shall the Contractor allow any Subcontractor to commence work on his subcontract until all similar insurance has been so obtained and approved. Approval of the insurance by the City shall not relieve or decrease the liability of the Contractor hereunder.

- A. Worker's Compensation including Occupational Disease and Employer's Liability Insurance: The Contractor shall take out and maintain during the life of this Contract Workers' Compensation and Employer's Liability Insurance for all of his employees to be engaged in work on the project under this contract in an amount no less than the minimum allowed by the State Corporation Commission, and in case of such work is sublet, the Contractor shall require the Subcontractor similarly to provide Workers' Compensation and Employer's Liability Insurance for all of the latter's employees to be engaged in such work.
- B. Comprehensive General Liability Insurance: The Contractor shall maintain during the life of this Contract comprehensive general liability insurance as shall protect him, the City of Martinsville and its offices, agents and employees, and any Subcontractors performing work covered by this Contract from claims for damage for personal injury, including death, as well as from claims for property damage, which may arise from operations under this Contract, whether such operations by himself or by any Subcontractor, or by anyone directly or indirectly employed by either of them. The amount of such insurance shall not be less than a combination single limit of \$1,000,000 per occurrence on bodily injury and property damage and \$1,000,000 aggregate on completed operations. The comprehensive general liability insurance shall provide the following coverage:

- Comprehensive
- Premises – Operation
- Products/Completed Operations Hazard
- Contractual Insurance
- Underground Hazard
- Explosion & Collapse Hazard
- Independent Contractor and Subcontractor
- Broad Form Property Damage
- Personal Injury
- Builders Risk

- C. Automobile liability insurance minimum combined single limits of \$1,000,000 for any one person and subject to the same limit for each person, \$1,000,000 on account of any one accident. This insurance shall include bodily injury and property damage for the following vehicles:

Owned Vehicles
Non-owned Vehicles
Hired Vehicles

- D. Umbrella Policy. At the option of the Contractor, primary limits may be less than required, with an umbrella policy providing the additional limits needed. This form of insurance will be acceptable provided that the primary and umbrella policies both provide the insurance coverage's herein required. However, any such umbrella policy must have minimum coverage limits of \$3,000,000.00.
- E. All policies shall name the City of Martinsville, its officers, agents, and employees, as additional insured. This coverage shall be reflected on the Certificates of Insurance (including any endorsements or riders thereto), which will be provided to the City. Each Certificate of Insurance shall require that notice be given thirty (30) days prior to cancellation or material change in the policies to the Director of Purchasing.
- F. Written evidence of the insurance required herein shall be filed with the City not later than thirty (30) days following the date of the award of the Contract. A copy of the evidence of insurance shall be filed with the Director of Purchasing.

Limitations of Work Area

- A. The Contractor shall be limited to a specific area for storage of equipment, supplies, and building materials. This area shall be designated by the City and established during the Pre-construction conference.
- B. Parking area for employees of the Contractor shall be designated in the vicinity of the project, and it shall be the responsibility of the Contractor to require his personnel to park in this designated area and not any area which may interfere with the normal operations in and around the construction area or with access and use of the facility by the City.

Observance of Laws

The Contractor at all times shall observe and comply with all Federal, State and City laws, bylaws, ordinances and regulations in any manner affecting the conduct of the work or applying to employees on the project, as well as all orders or decrees which have been promulgated or enacted, by any legal bodies or tribunals having authority or jurisdiction over the work materials, employees or contract.

Performance

In case of default by the Contractor, the City of Martinsville may procure the commodity or services from other sources and hold the Contractor responsible for any excess costs occasioned thereby.

Permits

The Contractor shall, at his own expense, secure any business or professional licenses, permits or fees required by the City of Martinsville, Commonwealth of Virginia or any other requesting agency having jurisdiction. Contact the Commissioner of Revenue's Office at 276-403-5131 for details and instructions.

Safety

- A. All practices, materials and equipment shall comply with the Federal Occupational Safety and health Act, as well as any pertinent Federal, State and/or local Safety or Environmental Codes.
- B. Construction site safety is the responsibility of the Contractor.

Subcontracts

- A. No proposed subcontractor shall be disapproved by the City of Martinsville except for cause.
- B. The Contractor shall be as fully responsible to the City of Martinsville for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them as he is for the acts and omissions of persons directly employed by him.
- C. The Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to require compliance by each subcontractor with the applicable provisions of the Contract for the improvements embraced in this Contract.
- D. Nothing contained in the Contract shall create any contractual relation between any subcontractor and the City.

Suspension of Work

The work may be suspended by the City of Martinsville when deemed in the best interest of the City.

Termination

If the Contractor fails to begin the work under this contract within the time specified, or fails to perform the work with sufficient workmen and equipment or with sufficient materials to insure the completion of said work within the specified time, or shall perform the work in an unsatisfactory manner, or shall neglect or refuse to remove materials or perform anew such work as shall discontinue the prosecution of the work, or if the Contractor shall become insolvent or be declared bankrupt, or shall commit any act of bankruptcy or insolvency, or shall make an assignment for the benefit of creditors, or from any other cause whatsoever shall not carry out the work in an acceptable manner, the City shall give notice in writing to the Contractor of such failure, delay, neglect, refusal, or default, specifying the same and if the contractor, within a period of seven days after such notice, shall not proceed in accordance therewith, then the City Manager acting for and on behalf of the City shall, upon receipt of a written certificate from the Engineer of the fact of such failure, delay, neglect, refusal, or default and of failure of the Contractor to comply with such notice, have full power and authority to declare the forfeiture of this contract, and to forfeit the rights of the Contractor in this contract, and the City Manager at this option may withhold full or partial payment to the vendor until completion of the work in accordance with the terms of this contract or may have the City take over the terms of this contract or may have the City take over the work, including any or all materials and equipment on the ground as may be suitable and acceptable to the City and may complete the work by or on its own employees, or may enter into a new contract for the completion of the work, or may use such other methods as in the opinion of the City Manager shall be required for the completion of the work in an acceptable manner. All

costs and charges incurred by the City, together with the cost of completing the work, shall be deducted from any monies due or which may become due on this contract.

In case the expense so incurred by the City shall be less than the sum which would have been payable under this contract if it had been completed by the Contractor and had not been forfeited by the City, then the Contractor shall be entitled to receive the difference, subject to any claims of liens thereon which may have been filed with the City or any prior assignment filed with it. In case such expense shall exceed the sum which would have been payable under this contract, the Contractor and the surety shall be liable and shall pay the City the amount of such excess.

Work Changes

- A. The City of Martinsville without invalidating the contract, and without notice to any surety, may order changes in the work within the general scope of the contract consisting of additions, deletions or other revisions, providing the total amount added or eliminated does not exceed twenty-five percent (25%) of the total contract price, or \$10,000, whichever is greater. All such changes in the work shall be authorized by change order, and shall be executed under the applicable conditions of the contract documents.
- B. The cost or credit to the City resulting from a change in the work shall be determined by unit prices subsequently agreed upon or by mutual acceptance of a lump sum properly itemized, or on the basis of cost of Work plus a Contractors Fee for overhead and profit as determined below.
- C. Should concealed conditions encountered in the performance of the work below the surface of the ground or hidden in existing structures be at variance with the conditions indicated by the contract documents, the contract price may be equitably adjusted by change order upon claim by either party and approval of the other party, made within either party and approval of the other party, made within twenty (20) days after the first observance of the conditions.
- D. The Contractor shall promptly, and before such conditions are disturbed, notify the Project Manager in writing of: (a) subsurface or latent physical conditions at the site differing materially from those indicated in this contract, or (b) unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this contract. The Project Manager shall promptly investigate the conditions, and if he finds that such conditions do so materially differ and cause an increase or decrease in the contractor's cost of, or the time required for, performance of this contract, and equitable adjustment shall be made and the contract modified in writing accordingly. Any claim of the Contractor for adjustment hereunder shall not be allowed unless he has given notice as above required; or unless the Project Manager grants a further period of time before the date of final payment under the contract.